Defendant's Exhibit O

ACCEPTED

UNITED STATES

PARTNERSHIP RETURN OF INCOME

1945

For Calendar Year 1945 or Fiscal Year Beginning 1945

12/1 11/30 8850050

Louisiana Mint Company

2601 Chartres Street

New Orleans, Louisiana

Amusement

72 JAN 15 1947

GROSS INCOME

1. Gross receipts from business		$ 231,021.60
2. Less cost of goods sold		
(a) Inventory at beginning of year		
(b) Merchandise bought		
(c) Cost of labor, supplies, etc.	Commissions Paid 38,503.60	
(d) Total of lines (a), (b), and (c)		
(e) Less inventory at end of year		38,503.60
3. Gross profit (or loss) from business or profession (item 1 less item 2)		$ 192,518.00
4. Income (or loss) from other partnerships, syndicates, pools, etc. (attach schedule)		
5. Interest on bank deposits, notes, corporation bonds, etc. (except interest to be reported in item 6)		
6. Interest on tax-free covenant bonds, upon which a Federal tax was paid at source		
7. Interest on Government obligations, etc.		
(a) From Schedule A, line (1)		
(b) From Schedule B, line (1)		
8. Rents		
9. Royalties		
10. Net gain (or loss) from sale or exchange of property other than capital assets (from Schedule D)		
11. Dividends		
12. Other income (state nature of income)		
13. Total income (items 3 to 12)		$ 192,518.00

DEDUCTIONS & Fees

14. Salaries and wages (do not include compensation of partners)	$ 48,469.66
15. Rent	3,048.51
16. Repairs	
17. Interest on indebtedness (explain in Schedule E)	
18. Taxes (explain in Schedule C)	4,507.14
19. Losses by fire, storm, shipwreck, or other casualty, or theft (state nature)	
20. Bad debts (explain in Schedule D)	
21. Depreciation (explain in Schedule E)	22,325.37
22. Depletion (state nature of each depletion, etc., and how computed)	
23. Depletion of timber, oil and gas wells, mines, etc. (state nature)	
24. Other deductions (attach schedule)	17,188.89
25. Total deductions (items 14 to 24)	97,583.57
26. Net profit (or loss) (item 13 less item 25)	94,934.43
27. Net profit (or loss) (item 26 less item 3)	
28. Net profit (or loss) (item 27 less item 4)	

9/14

Defendant's Exhibit O

Schedule A.—INTEREST ON GOVERNMENT OBLIGATIONS, ETC. (See Instruction 7) Page

Description of obligations or securities	Interest and dividends received or accrued during the year
Subject to surtax only:	
(a) United States savings notes and Treasury bonds issued prior to March [illegible]	
(b) Obligations of instrumentalities of the United States issued prior to March [illegible] (other than Federal and Federal [illegible] banks and joint-stock land banks)	
(c) Dividends on share accounts in building, [illegible] associations	
(d) Total	$
(e) Less: Amortizable bond premium	
(f) Balance of interest (Enter as item 2(a), page 1)	$
Subject to normal tax and surtax:	
(g) Treasury notes issued on or after June [illegible] and obligations issued after March [illegible]	
(h) Less: Amortizable bond premium	
(i) Balance of interest (Enter as item 2(b), page 1)	$

Schedule B.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS: (See Instruction 10)

1. Kind of property	2. Date acquired	3. Gross sales price or contract price	4. Cost or other basis	5. Depreciation allowed or allowable since acquisition	6. Depreciation allowed or allowable since March 1, 1913	7. Gain or loss (column 3 plus column 6 less the total of columns 4 and 5).
		$	$	$	$	$

Total net gain (or loss) (enter as item 11, page 1) $

NOTE.—If any item in Schedule B was acquired by the organization otherwise than by purchase, attach a statement explaining how acquired.

Schedule C.—TAXES. (See Instruction 18)

Nature	Amount	Amount contested
Federal Licenses	1,562. 94	$
Personal Property	35. 63	
Social Security	2,958. 57	
Less (enter as item [illegible])		4,557. 14

Schedule D.—BAD DEBTS. (See Instruction 20)

Taxable year	1. Net income reported	2. Bad debts charged off during year	3. Bad debts recovered during year	4. Reserve for bad debts at end of year	5. Amount to be added to reserve
1942	$	$	$	$	$
1943					
1944					

NOTE. [illegible]

Schedule E.—DEPRECIATION. (See Instruction 21)

[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Furniture & Fix.	Varia 1,208.28	243. 01	10	Varia 120. 82
Truck	" 650.00	460. 42	4	" 162.50
Machines	" 111,445.65	32,048. 64	5	" 21,845. 08
Shop Equipment	" 995.29	218. 56	5	" 196. 97
[illegible]				22,325. 37

Defendant's Exhibit O

(D)

Philip Kastel,	123 Baronne St.,N.O.,La.	28,335. 25
Frank Costello	New York, N.Y.	19,335. 25
A. G. Richerfer,	New Orleans, Louisiana	17,186. 88
Thomas Hill & P. Ham.	New Orleans, La.	17,186. 88
Jack Lansky,	Hollywood, Florida	12,890. 17
		94,934. 43

Defendant's Exhibit P

STATE OF LOUISIANA

PARISH OF ORLEANS:

WHEREAS, the CRESCENT MUSIC COMPANY, a partnership composed of JACOB JONES and Mrs. JEANNIE ISENBERG, who were equal partners, have been engaged in the coin operated musical machine business in New Orleans, Louisiana; and

WHEREAS, Mrs. LORETTA COSTELLO, has, as of October 30th, 1943, purchased from said partners a one-third interest in the partnership and its assets, for the sum of TEN THOUSAND ($10,000.00) DOLLARS, cash, receipt of which is hereby acknowledged; and,

WHEREAS, as a condition of the sale and purchase it was agreed that said parties were to continue conducting said business as a partnership.

Now, in consideration thereof, JACOB JONES, MRS. JEANNIE ISENBERG and MRS. LORETTA COSTELLO have and do by these presents enter into a contract of partnership as follows:

(1) The firm name shall continue to be: CRESCENT MUSIC COMPANY and it shall have its principal office in the city of New Orleans, Louisiana.

(2) This partnership shall continue for a period of three years commencing November 1st, 1943, and shall automatically renew itself for like periods of three years unless one of the partners delivers notice in writing to the other partners of his intention to withdraw from the partnership on its termination. Notice shall be delivered at least 90 days prior to the expiration date of the within partnership agreement or any triannual renewal date thereof.

Defendant's Exhibit P

(3) None of the partners shall be required to devote any of their time to the affairs of the business. Mr. Jacob Joffe shall be the general manager of the business and is to be allowed the sum of $100.00 per week which is to be charged as an expense of the business before determining the net profits.

(4) The assets of the partnership shall consist of the good will of the business, the coin operated musical machines, remote control switches, phonograph records, etc., all as more fully shown on an inventory on file at the office of the partnership with which parties hereto are familiar.

(5) Books of account of the affairs and transactions of the business shall be kept at all times. The net profits and gains of the business shall be divided monthly among the partners in equal portions; however, no distribution shall be made until the present existing indebtednesses of the firm shall have been liquidated.

(6) In the event of the death of any of the partners, it is hereby agreed that the remaining partners shall carry on the business for a period not exceeding one year from the date of the death of such partner, under this agreement for the benefit of himself and the legal heirs or representatives of the deceased partner.

(7) All disputes and differences, if any, which shall arise between the partners shall be referred to and decided by two persons, one to be chosen by each side in controversy, with power to appoint a third in case of need; the award of said three persons, or of any two of them, shall be binding and obligatory on the partners and their representatives, heirs and assigns.

Defendant's Exhibit O

LINE 24 - OTHER DEDUCTIONS

(19)

Legal	$ 3,500.00
Accounting	2,700.00
Light, Heat & Water	525.38
Advertising & Donations	1,420.00
Envelopes	464.81
Mints	915.43
Sundry	1,047.51
Office Supplies & Expense	358.37
Postage	15.12
Route etc. Expense	1,191.42
Shop Supplies & Expense	3,673.50
Stationery " "	49.70
Telephone	288.58
Traveling	229.00
Truck & Auto Expense	810.07
	$ 17,182.89

In August 1946- Peter Hand- Partner in Hand & Hill Partnership, sold his interest for $5,300.00 to the Louisiana Mint Partnership- The Hand & Hill Partnership was credited with their full share of the profit for the fiscal year ended November 30, 1946 & one half (1/2) of the balance remaining in that account at 11/30/46 was considered the value of the 1/2 interest purchased from Peter Hand. The books reflect this 1/2 interest to be $7,431.84, the difference is carried in a suspense account pending the time the company is finally liquidated.

Totals	$	$	$	$	$	$

QUESTIONS

1. Date of organization **12/1/42**

2. Nature of organization (partnership, syndicate, pool, joint venture, etc.) **Partnership**

3. Was a return of income filed for preceding year? **Yes** If so, to which collector's office was it sent? **E.O., La.**

4. Check whether this return was prepared on the cash **X** or accrual basis.

5. State whether inventories at the beginning and end of the taxable year were valued at (a) cost, or (b) cost or market, whichever is lower.

If any other basis is used, attach statement describing basis fully, state why used and the date inventory was last reconciled with stock.

6. Did the organization at any time during the taxable year own directly or indirectly any stock of a foreign corporation or of a personal holding company, as defined in section 501 of the Internal Revenue Code? (Answer "Yes" or "No") **No** If answer is "Yes," attach list showing name and address of each such corporation and amount of stockholdings.

7. Was returned information on Forms 1099 and 1099, or Form W-2a, filed for this calendar year? **Yes**
(See Instruction H)

AFFIDAVIT (See Instruction D)

I swear (or affirm) that this return (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief is a true, correct, and complete return.

Charles J. Murphy 1/12/47
CPA

Philip Kent 1/15/47
Partner

Subscribed and sworn to before me this 7

Allen B. Brown
Notary Public

Subscribed and sworn to before me this 7

Allen B. Brown
Notary Public

Defendant's Exhibit P

(8) . . IN WITNESS WHEREOF, parties hereto affix their signatures at New Orleans, Louisiana, on this 19th day of November, 1943.

Witnesses:

Jack Jeffe

Chas. J. Wheatley

Jennie Isenberg

By Jack Jeffe

Albert O'Koone

Loretta B. Costello

Defendant's Exhibit Q

— FINAL —
PARTNERSHIP dissolved AT SEPTEMBER

FORM 1065
Treasury Department
Internal Revenue Service

UNITED STATES

PARTNERSHIP RETURN OF INCOME 1943

(To be Filed Also by Syndicates, Pools, Joint Ventures, Etc.)

For Calendar Year 1943

or fiscal year beginning 8/1/44, 1943, and ending 9/15/44, 1944

(File this return not later than the 15th day of the 3d month following the close of the taxable year)

(PRINT PLAINLY NAME AND BUSINESS ADDRESS OF THE ORGANIZATION)

CRESCENT MUSIC CO
(Name)
743 BARONNE
(Street and number)
NEW ORLEANS LA
(City or town) (State)

Business or Profession AMUSEMENT

Do Not Use These Spaces

File Code

Serial No.

District

(Date Received)

orig. 3

Item and Instruction No.	GROSS INCOME				
1. Gross receipts from business or profession			$ 9083	35	
2. Less cost of goods sold:					
(a) Inventory at beginning of year	$				
(b) Merchandise bought for sale					
(c) Cost of labor, supplies, etc.					
(d) Total of lines (a), (b), and (c)	$				
(e) Less inventory at end of year					
3. Gross profit (or loss) from business or profession (item 1 minus item 2)			$ 9083	35	
4. Income (or loss) from other partnerships, syndicates, pools, etc. (State separately name, address, and amount):					
5. Interest on bank deposits, notes, etc.					
6. Interest on corporation bonds, etc. (except interest to be reported in item 7)	$	Less amortizable bond premium $			
7. Interest on tax-free covenant bonds upon which a Federal tax was paid at source	$	$			
8. Interest on Government obligations, etc.:					
(a) From line (h), Schedule A	$	$			
(b) From line (i), Schedule A	$	$			
9. Rents					
10. Royalties					
11. Net gain (or loss) from sale or exchange of property other than capital assets (from Schedule B)					
12. Dividends					
13. Other income (state nature of income):					
14. Total income in items 3 to 13 (enter nontaxable income in Schedules A and C)					$ 9083 35
	DEDUCTIONS				
15. Salaries and wages (do not include compensation for partners)			$ 2100	00	
16. Rent			35	00	
17. Repairs					
18. Interest on indebtedness (explain in Schedule F)					
19. Taxes (explain in Schedule C)					
20. Losses by fire, storm, shipwreck, or other casualty, or theft (submit schedule)					
21. Bad debts (explain in Schedule D)					
22. (a) Depreciation (explain in Schedule E)			1372	02	
(b) Amortization of emergency facilities (attach statement)					
23. Depletion of mines, oil and gas wells, timber, etc. (submit schedule)					
24. Other deductions authorized by law (explain in Schedule F)			2028	21	
25. Total deductions in items 15 to 24					5535 23
26. Ordinary net income (item 14 minus item 25)					$ 3548 12
27. Net short-term capital gain (or loss) (from line 1, column 4, Summary, Schedule H)					$
28. Net long-term capital gain (or loss) (from line 2, column 4, Summary, Schedule H)					$ 2971 [illegible]

Defendant's Exhibit Q

Schedule A.—INTEREST ON GOVERNMENT OBLIGATIONS, ETC. (See Instruction 8)

Page 2

1. Obligations or securities	2. Amount owned at end of year		3. Interest (and dividends subject to surtax only) received or accrued during the year	
(a) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or United States possessions	$		$	
(b) Obligations issued prior to March 1, 1941, under Federal Farm Loan Act, or under such Act as amended				
(c) Obligations of United States issued on or before September 1, 1917				
(d) Treasury Notes issued prior to December 1, 1940, Treasury Bills and Treasury Certificates of Indebtedness issued prior to March 1, 1941				
(e) United States Savings Bonds and Treasury Bonds issued prior to March 1, 1941				
(f) Obligations of instrumentalities of the United States (other than obligations to be reported in (b) above) issued prior to March 1, 1941				
(g) Dividends on share accounts in Federal savings and loan associations in case of shares issued prior to March 28, 1942	x x x x x x x	x x x		
(h) Total of lines (e), (f), and (g), column 3 (enter as item 8 (a), page 1)			$	

	Amount owned at end of year		Interest received or accrued during the year (subject to normal tax and surtax)	
(i) Treasury Notes issued on or after December 1, 1940, and obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof (enter amount of interest as item 8 (b), page 1)	$		$	

Schedule B.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS. (See Instruction 11)

1. Kind of property	2. Date acquired	3. Gross sales price (contract price)		4. Cost or other basis		5. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913		6. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (furnish details)		7. Gain or loss (column 3 plus column 6 minus the sum of columns 4 and 5)	
		$		$		$		$		$	
Total net gain (or loss) (enter as item 11, page 1)										$	

State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the above items:

If any of the above items were acquired by you other than by purchase, explain fully how acquired:

Schedule C.—TAXES. (See Instruction 19)

Nature	Amount	
	$	
Total (enter as item 19, page 1)	$	

Schedule D.—BAD DEBTS. (See Instruction 21)

1. Taxable year	2. Net income reported		3. Sales on account		4. Bad debts of organization if no reserve is carried on books		If organization carried a reserve— 5. Gross amount added to reserve		6. Amount charged against reserve	
1940	$		$		$		$		$	
1941										
1942										
1943										

NOTE.—Check whether deduction claimed represents debts which have become worthless ☐, or is an addition to a reserve ☐.

Schedule E.—DEPRECIATION. (See Instruction 22 (a))

1. Kind of property (if buildings, state material of which constructed)	2. Date acquired	3. Cost or other basis (do not include land or other nondepreciable property)		4. Assets fully depreciated in use at end of year		5. Depreciation allowed (or allowable) in prior years		6. Remaining cost or other basis to be recovered		7. Estimated life used in accumulating depreciation	8. Estimated remaining life from beginning of year	9. Depreciation allowable this year	
Tractor-Oil Spreader + Brush	1943	$ 4690	35	$		$ 10786	73	$ 43906	62	5 yrs	4 yrs	$ 1329	42
Auto + Truck	1943	1300	00			243	75	1056	25	4 yrs	3 yrs	440	63
Furniture + Fixtures	1942	157	35			1	87	155	48	10 yrs	9 yrs	1	97
Total (enter as item 22(a), page 1)												$ 1372	02

Schedule F.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 18 AND 24

1. Item No.	2. Explanation	3. Amount		1. Item No. (continued)	2. Explanation (continued)	3. Amount (continued)	
		$				$	

Defendant's Exhibit Q

Schedule F Line 24

Records	50253
Parts + Repairs	59595
Route Expense	30480
Legal + Accounting	25000
Gasoline, Oil, + Tire Repairs	13995
Telephone + Telegraph	10773
Needles	9384
Light Heat + Water	1203
Office Supplies + Expense	1162
Stationery Printing + Postage	976
	202821

Defendant's Exhibit Q

Schedule G.—NONTAXABLE INCOME OTHER THAN INTEREST REPORTED IN SCHEDULE A. (See Instruction 14)

1. Source of income	2. Nature of income	3. Amount
		$

Schedule H.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF CAPITAL ASSETS. (See Instructions 27-28)

1. Kind of property (if necessary attach statement of descriptive details not shown below)	2. Date acquired Mo. Day Year	3. Date sold Mo. Day Year	4. Gross sales price (contract price)	5. Cost or other basis	6. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913	7. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (furnish details)	8. Gain or loss (column 4 plus column 7 minus the sum of columns 5 and 6)	Gain or loss to be taken into account: 9. Percentage	10. Amount
SHORT-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD NOT MORE THAN 6 MONTHS									
Electric phonographs + Boxes	[illegible]	9-15-44	$ 1476 -	$ 1476 -	$	$	$ — 0 —	100	$
Fans + Fixt	1944	9-15-44	153 51	157 25		3 84	— 0 —	100	
Total net short-term capital gain or loss (enter in line 1, column 2, of summary below)									$
LONG-TERM CAPITAL GAINS AND LOSSES—ASSETS HELD FOR MORE THAN 6 MONTHS									
Electric Phonographs + Boxes.	1943	9/15/44	6239 57	[illegible] 35		12116 15	19823 37	50	9911 69
Trucks	1943	9/15/44	1015 62	1300 00		284 38	— 0 —	50	— 0 —
Total net long-term capital gain or loss (enter in line 2, column 2, of summary below)									$ 9911 69

SUMMARY OF CAPITAL GAINS OR LOSSES

1. Classification	2. Net gain or loss to be taken into account from column 10, above: a. Gain	b. Loss	3. Net gain or loss to be taken into account from other partnerships and common trust funds: a. Gain	b. Loss	4. Total net gain or loss taken into account in columns 2 and 3 of this summary: a. Gain	b. Loss
1. Total net short-term capital gain or loss (enter in column 3, Schedule J, amount of gain or loss shown in column 4)	$	$	$	$	$	$
2. Total net long-term capital gain or loss (enter in column 4, Schedule J, amount of gain or loss shown in column 4)	$ 9911 69	$	$	$	$ 9911 69	$

State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the above items:

If any of the above items were acquired by you other than by purchase, explain fully how acquired:

Schedule I.—CONTRIBUTIONS OR GIFTS PAID. (See Instruction 29)

Name and address of organization	Amount
	$
Total (enter in column 10, Schedule J)	$

Defendant's Exhibit Q

Schedule J.—PARTNERS' SHARES OF INCOME AND CREDITS. (See Instruction 29)

Page 4

	1. Name and address of each partner (Designate nonresident aliens) Where return of partner or member is filed in another collection district, specify district. If the full time of any partner was not devoted to the business, the percentage of time devoted must be stated	2. Ordinary net income less interest on Government obligations, etc., subject to surtax only (item 26, page 1, minus item 8 (a), page 1)	3. Net short-term gain (or loss) from sale or exchange of capital assets (from Schedule H, Summary, line 1, column 4)	4. Net long-term gain (or loss) from sale or exchange of capital assets (from Schedule H, Summary, line 2, column 4)
(a)	J. Jeffe. 125 Barrow N.O. La	$ 1649 37	$ 1	$ 3303 89
(b)	Jno. Loretta Costello 125	949 37	1	3303 90
(c)	Jno. Jennie Isenberg 1 Baker	949 38		3303 90
(d)				
(e)				
(f)				
(g)				
Totals		$ 3548 12	$	$ 9911 69

CONTINUATION OF SCHEDULE J

5. Use letter corresponding to above to identify partner	6. Wholly tax-exempt obligations (lines (a), (b), (c), and (d) of Schedule A)		Partially tax-exempt: 7. United States Savings Bonds and Treasury Bonds (line (e), Schedule A)		Partially tax-exempt: 8. Obligations of certain instrumentalities of the United States (line (f), Schedule A)		9. Earned income	10. Charitable contributions (from Schedule I)	11. Federal income tax paid at source (2 percent of gross amount in item 7, page 1)	12. Income and profits taxes paid to a foreign country or United States possession
	a. Principal	b. Interest	a. Principal	b. Interest less amortizable bond premium	a. Principal	b. Interest less amortizable bond premium				
a	$ 1	$	$	$	$	$	$ 329 57	$	$	$
b							189 57			
c							189 57			
Totals	$	$	$	$	$	$	$ 709 71	$	$	$

QUESTIONS

1. Date of organization Aug 1943
2. Nature of organization (partnership, syndicate, pool, joint venture, etc.) Partnership
3. Was a return filed for preceding year? no If so, to which collector's office was it sent? No.
4. Check whether this return was prepared on the cash ☒ or accrual ☐ basis.
5. State whether inventories at the beginning and end of the taxable year were valued at (a) cost, or (b) cost or market, whichever is lower
   If any other basis is used, attach statement describing basis fully, state why used and the date inventory was last reconciled with stock
   Did the organization at any time during its taxable year have in its employ more than eight individuals? (Answer "Yes" or "No") no
   If answer is "Yes," has the organization in this return taken a deduction for any amount of wages or salaries representing an increase or decrease in rate during the taxable year? (Answer "Yes" or "No") If answer to second question is "Yes," attach a statement explaining all such increases or decreases. If any of such increases or decreases required the prior approval of the National War Labor Board or the Comis oner of Internal Revenue as stated in instruction 15, attach also a copy of the authorization for each of such increases or decreases.
7. Did the organization at any time during the taxable year own directly or indirectly any stock of a foreign corporation or a personal holding company, as defined in section 501 of the Internal Revenue Code? (Answer "Yes" or "No") no
   If answer is "Yes," attach schedule required by Instruction I.
8. Was return of information on Forms 1096 and 1099, or Forms V-2 and W-2, filed for the calendar year 1943? (See Instruction H) —

AFFIDAVIT (See Instruction D)

I/we swear (or affirm) that this return (including any accompanying schedules and statements) has been examined by me/us, and to the best of my/our knowledge and belief is a true, correct, and complete return, made in good faith, for the accounting period stated, pursuant to the Internal Revenue Code and the regulations issued under authority thereof.

(Signature of person (other than partner or member) preparing return) (Date)

(Name of firm or employer, if any)

Subscribed and sworn to before me this day of , 194

(Signature of officer administering oath) (Title)

(Partner or member) (Date)

(Address of partner or member)

Subscribed and sworn to before me this day of , 194

(Signature of officer administering oath) (Title)

U. S. GOVERNMENT PRINTING OFFICE : 1943 16—25092-1

Defendant's Exhibit R

FORM 1065
Treasury Department
Internal Revenue Service

UNITED STATES PARTNERSHIP RETURN OF INCOME 1943

(To be Filed Also by Syndicates, Pools, Joint Ventures, Etc.)

For Calendar Year 1943

or fiscal year beginning Aug. 1, 1943, and ending , 1944

(File this return not later than the 15th day of the 3d month following the close of the taxable year)

(PRINT PLAINLY NAME AND BUSINESS ADDRESS OF THE ORGANIZATION)

Crescent Music Co
(Name)
[illegible]
(Street and number)
New Orleans La.
(City or town) (State)

Business or Profession Amusements.

Do Not Use These Spaces

File Code

Serial No.

District

(Date Received)

Orig & Office (11)

GROSS INCOME

Item and Instruction No.			
1. Gross receipts from business or profession			$ 73982 [illegible]
2. Less cost of goods sold:			
(a) Inventory at beginning of year	$		
(b) Merchandise bought for sale			
(c) Cost of labor, supplies, etc			
(d) Total of lines (a), (b), and (c)	$		
(e) Less inventory at end of year			
3. Gross profit (or loss) from business or profession (item 1 minus item 2)			$ 73983 86
4. Income (or loss) from other partnerships, syndicates, pools, etc. (State separately name, address, and amount):			
5. Interest on bank deposits, notes, etc			
6. Interest on corporation bonds, etc. (except interest to be reported in item 7)	$	Less amortizable bond premium $	
7. Interest on tax-free covenant bonds upon which a Federal tax was paid at source	$	$	
8. Interest on Government obligations, etc.:			
(a) From line (h), Schedule A	$	$	
(b) From line (i), Schedule A	$	$	
9. Rents			
10. Royalties			
11. Net gain (or loss) from sale or exchange of property other than capital assets (from Schedule B)			
12. Dividends			
13. Other income (state nature of income):			
14. Total income in items 3 to 13 (enter nontaxable income in Schedules A and G)			$ 73983 86

DEDUCTIONS

15. Salaries and wages (do not include compensation for partners)	$ 18311 62	
16. Rent	420 00	
17. Repairs	76 45	
18. Interest on indebtedness (explain in Schedule F)	109 53	
19. Taxes (explain in Schedule C)	3508 69	
20. Losses by fire, storm, shipwreck, or other casualty, or theft (submit schedule)		
21. Bad debts (explain in Schedule D)	392 90	
22. (a) Depreciation (explain in Schedule E)	11032 35	
(b) Amortization of emergency facilities (attach statement)		
23. Depletion of mines, oil and gas wells, timber, etc. (submit schedule)		
24. Other deductions authorized by law (explain in Schedule F)	14437 15	
25. Total deductions in items 15 to 24		49288 69
26. Ordinary net income (item 14 minus item 25)		$ 25695 17
27. Net short-term capital gain (or loss) (from line 1, column 4, Summary, Schedule H)		$
28. Net long-term capital gain (or loss) (from line 2, column 4, Summary, Schedule H)		$

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Defendant's Exhibit R

Schedule A.—INTEREST ON GOVERNMENT OBLIGATIONS, ETC. (See Instruction 8)

Page 3

1. Obligations or securities	2. Amount owned at end of year		3. Interest (and dividends or patronage or earnings) received or accrued during the year	
(a) Obligations of a State, Territory, or political subdivision thereof, or the District of Columbia, or United States possessions	$		$	
(b) Obligations issued prior to March 1, 1941, under Federal Farm Loan Act, or under such Act as amended				
(c) Obligations of United States issued on or before September 1, 1917				
(d) Treasury Notes issued prior to December 1, 1940, Treasury Bills and Treasury Certificates of Indebtedness issued prior to March 1, 1941				
(e) United States Savings Bonds and Treasury Bonds issued prior to March 1, 1941				
(f) Obligations of instrumentalities of the United States (other than obligations to be reported in (b) above) issued prior to March 1, 1941				
(g) Dividends on share accounts in Federal savings and loan associations in case of shares issued prior to March 28, 1942	x x x x x x x	x x x		
(h) Total of lines (e), (f), and (g), column 3 (enter as item 8 (a), page 1)			$	

	Amount owned at end of year		Interest received or accrued during the year (subject to normal tax and surtax)	
(i) Treasury Notes issued on or after December 1, 1940, and obligations issued on or after March 1, 1941, by the United States or any agency or instrumentality thereof (enter amount of interest as item 8 (b), page 1)	$		$	

Schedule B.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY OTHER THAN CAPITAL ASSETS. (See Instruction 11)

1. Kind of property	2. Date acquired	3. Gross sales price (contract price)	4. Cost or other basis	5. Expense of sale and cost of improvements subsequent to acquisition or March 1, 1913	6. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (furnish details)	7. Gain or loss (column 3 plus column 6 minus the sum of columns 4 and 5)
		$	$	$	$	$
Total net gain (or loss) (enter as item 11, page 1)						$

State the family, fiduciary, or business relationship to you, if any, of purchaser of any of the above items:

If any of the above items were acquired by you other than by purchase, explain fully how acquired:

Schedule C.—TAXES. (See Instruction 19)

Nature	Amount	
Federal Licenses + Taxes -	$ 848	00
Auto Licenses + Taxes	53	00
Social Security	172	40
City + State Licenses + Taxes	2434	89
Total (enter as item 19, page 1)	$ 3508	69

Schedule D.—BAD DEBTS. (See Instruction [illegible])

1. Taxable year	2. Net income reported	3. Sales on account	4. Bad debts of organization if no reserve is carried on books	If organization carried a reserve— 5. Amount added to reserve	6. Amount charged against reserve
1940	$	$	$	$	$
1941					
1942					
1943					

NOTE.—Check whether deduction claimed represents debts which have become worthless ☐, or is an addition to a reserve ☐.

Schedule E.—DEPRECIATION. (See Instruction 22 (a))

1. Kind of property (if buildings, state material of which constructed)	2. Date acquired	3. Cost or other basis (do not include land or other nondepreciable property)	4. Assets fully depreciated in use at end of year	5. Depreciation allowed (or allowable) in prior years	6. Remaining cost or other basis to be recovered	7. Estimated life used in accumulating depreciation	8. Estimated remaining life from beginning of year	9. Depreciation allowable this year
Dec. Phonographs + Records	8/1/44	$ 50150 15	$	$ —	$ 50150 15	5 yrs	5 yrs	$ 10030 03
" "	9/29/44	4540 20			4540 20	5 yrs	5 yrs	756 70
Auto + Truck -	10/1/44	1300 00			1300 00	4 yrs	4 yrs	243 75
Furniture + Fixtures	Various	157 35			157 35	10 yrs	10 yrs	1 87
Total (enter as item 22 (a), page 1)								$ 1032 35

Schedule F.—EXPLANATION OF DEDUCTIONS CLAIMED IN ITEMS 18 AND 24

1. Item No.	2. Explanation	3. Amount	1. Item No. (continued)	2. Explanation (continued)	3. Amount (continued)
18	Rent + Equipment Co.	$ 4 95			$
18	Rent + Phono Sales Co. Inc. -	104 60			
		100 53			

Defendant's Exhibit. R

Income for State Line 22 Schedule H.

to Pl. Exh.

Line 22 Schedule F.

Rents	$381093
Parts & Repairs	278030
Repair Expense	248609
Lumber, Oil, Tools etc.	165033
Needles	15955
Legal & Accounting	90000
Telephone & Telegraph	56614
Insurance	37640
Office Supplies & Expense	29329
Stationery Printing & Postage	13140
Light, Heat & Water	11705
Shop Supplies Expense	14770
Bank Charges & Exchange	1797
	$1443715

(1)

Defendant's Exhibit R

Schedule J.—PARTNERS' SHARES OF INCOME AND CREDITS. (See Instruction 29)

	1. Name and address of each partner (Designate nonresident aliens) Where return of partner or member is filed in another collection district, specify district If the full time of any partner was not devoted to the business, the percentage of time devoted must be stated	2. Ordinary net income less interest on Government obligations, etc., subject to surtax only (item 26, page 1, minus item 8 (a), page 1)	3. Net short-term gain (or loss) from sale or exchange of capital assets (from Schedule H, Summary, line 1, column 4)	4. Net long-term gain (or loss) from sale or exchange of capital assets (from Schedule H, Summary, line 2, column 4)
(a)	Mrs. J. Joffe - 173 Bayonne	$ 12165 06	$	$
(b)	Mrs. Jennie Feinberg - 110 Seaman Ave	6765 06		
(c)	Mrs. Loretta Costello 11 Cedar [illegible]	6765 06		
(d)				
(e)				
(f)				
(g)				
Totals		$ 25695 12	$	$

CONTINUATION OF SCHEDULE J

5. Use letter corresponding to above to identify partner	6. Wholly tax-exempt obligations (lines (a), (b), (c), and (d) of Schedule A)		Partially tax-exempt: 7. United States Savings Bonds and Treasury Bonds (line (e), Schedule A)		Partially tax-exempt: 8. Obligations of certain instrumentalities of the United States (line (f), Schedule A)		9. Earned income	10. Charitable contributions (from Schedule I)	11. Federal income tax paid at source (2 percent of gross amount in item 7, page 1)	12. Income and profits taxes paid to a foreign country or United States possession
	a. Principal	b. Interest	a. Principal	b. Interest less amortizable bond premium	a. Principal	b. Interest less amortizable bond premium				
a	$	$	$	$	$	$	$ 2433 01	$	$	$
b							1353 01			
c							1353 01			
Totals	$	$	$	$	$	$	$ 5139 03	$	$	$

QUESTIONS

1. Date of organization Aug. 1 1943
2. Nature of organization (partnership, syndicate, pool, joint venture, etc.) Partnership
3. Was a return filed for preceding year? no If so, to which collector's office was it sent? —
4. Check whether this return was prepared on the cash ☒ or accrual ☐ basis.
5. State whether inventories at the beginning and end of the taxable year were valued at (a) cost, or (b) cost or market, whichever is lower
   If any other basis is used, attach statement describing basis fully, state why used and the date inventory was last reconciled with stock
6. Did the organization at any time during its taxable year have in its employ more than eight individuals? (Answer "Yes" or "No") no
   If answer is "Yes," has the organization in this return taken a deduction for any amount of wages or salaries representing an increase or decrease in rate during the taxable year? (Answer "Yes" or "No") ..... If answer to second question is "Yes," attach a statement explaining all such increases or decreases. If any of such increases or decreases required the prior approval of the National War Labor Board or the Comissioner of Internal Revenue as stated in instruction 15, attach also a copy of the authorization for each of such increases or decreases.
7. Did the organization at any time during the taxable year own directly or indirectly any stock of a foreign corporation or a personal holding company, as defined in section 501 of the Internal Revenue Code? (Answer "Yes" or "No") no
   If answer is "Yes," attach schedule required by Instruction I.
8. Was return of information on Forms 1096 and 1099, or Forms V-2 and W-2, filed for the calendar year 1943? (See Instruction H) yes

AFFIDAVIT (See Instruction D)

I/we swear (or affirm) that this return (including any accompanying schedules and statements) has been examined by me/us, and to the best of my/our knowledge and belief is a true, correct, and complete return, made in good faith, for the accounting period stated, pursuant to the Internal Revenue Code and the regulations issued under authority thereof.

(Signature of person (other than partner or member) preparing return) (Date)

(Name of firm or employer, if any)

Subscribed and sworn to before me this

..... day of ....., 194..

(Signature of officer administering oath) (Title)

(Partner or member) (Date)

(Address of partner or member)

Subscribed and sworn to before me this

..... day of ....., 194..

(Signature of officer administering oath) (Title)

☆ U. S. GOVERNMENT PRINTING OFFICE : 1943 16—35092-1

Defendant's Exhibit S

CHARLES B. MURPHY
CERTIFIED PUBLIC ACCOUNTANT
822 PERDIDO STREET
PHONE CANAL 2604 NEW ORLEANS 12

January 18, 1944

Mrs. Frank Costello
Roosevelt Hotel
New Orleans 12, La.

Dear Mrs. Costello:

Enclosed find statement of the Crescent Music Company for the month of December, 1943.

If you have any questions you would like to have answered in respect to this report, I will be glad to meet with you at your convenience.

Yours very truly,

Chas B Murphy

Charles B. Murphy
Certified Public Accountant

CBM:O'H

DEFENDANT'S
EXHIBIT
U. S. Dist. Court
S. D. of N. Y.
APR 19 1954

S H

Defendant's Exhibit T

CHARLES B. MURPHY
CERTIFIED PUBLIC ACCOUNTANT
822 PERDIDO STREET
PHONE CANAL 2504 NEW ORLEANS 12

September 22, 1944

Mrs. Loretta Costello
115 Central Park West
New York, New York

Dear Mrs. Costello:

I am enclosing, (1) papers and signature cards in connection with the opening of the bank account of the new partnership, known as the Crescent Music Company; (2) a check in the amount of $ 1,258.89.

The bank papers and cards must be signed by you in the places I have marked with an asterisk, there are four of these places: The check represents your one-third of the cash balance in the old Crescent Music Company account. This check you must endorse, Loretta Costello, where I have marked with an asterick. This check is to be deposited to the credit of the new account.

I would appreciate your returning these air mail special delivery at your earliest opportunity.

Mr. Hastel has given me a like amount of his to deposit to the credit of the new account, so that the fifty percent ownership will not be disturbed.

Yours very truly,

Chas B Murphy

Chas. B. Murphy
Certified Public Accountant

LEE/GR
Enc.

DEFENDANT'S

EXHIBIT
U. S. Dist. Court
S. D. of N. Y.
APR 19 1954

T.

Defendant's Exhibit U

CHARLES B. MURPHY
CERTIFIED PUBLIC ACCOUNTANT
822 PERDIDO STREET
PHONE CANAL 2604 NEW ORLEANS 12

November 3, 1945

Mrs. Loretta Costello
115 Central Park West
New York, New York

Dear Mrs. Costello:

Enclosed find check #951 in the amount of $2,000.00 for the month of October, 1945. This check represents your one-half (½) share Cash Distribution for the month of October, 1945.

Yours very truly,

Chas. B. Murphy

Chas. B. Murphy
Certified Public Accountant

CBM/GLT
Enc.

DEFENDANT'S
EXHIBIT
U. S. Dist. Court
S. D. of N. Y.
APR 19 1954
U. 48

Defendant's Exhibit V

CHARLES B. MURPHY
CERTIFIED PUBLIC ACCOUNTANT
822 PERDIDO STREET
PHONE CANAL 2604 NEW ORLEANS 12

October 9, 1945

Mrs. Loretta Costello
115 Central Park West
New York, New York

Dear Mrs. Costello:

Enclosed find statement of Crescent Music Company for the Fiscal year ended August 31, 1945. I am also enclosing copies of the Federal and State Income Tax Returns.

Give these returns to the person preparing your return for the year 1945, as they show thereon profit which you are to report in your 1945 Income Tax Return.

Yours very truly,

Chas. B. Murphy

Chas. B. Murphy
Certified Public Accountant

CBM/GLT
Enc.

DEFENDANT'S
EXHIBIT
U. S. Dist. Court
S. D. of N. Y.
APR 19 1954

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